

CONFERENCE COMMITTEE REPORT DIGEST FOR ESB 42

Citations Affected: IC 2-5-26; IC 12-8; IC 12-15-12.

Synopsis: Human services. Conference committee report for ESB 42. Adds the determination of whether a managed care organization that has contracted with the state to provide Medicaid services has performed the terms of the contract to the duties of the select joint commission on Medicaid oversight (commission). Extends the expiration of the office of the secretary of family and social services (office), certain divisions within the office, and the office of Medicaid policy and planning until January 1, 2010, and provides that actions taken after December 31, 2007, by the office, certain divisions within the office, and the office of Medicaid policy and planning are legalized and validated to the same extent that the actions would have been legal and valid if they had been taken before January 1, 2008. Requires certain managed care organizations participating in the Medicaid program to: (1) be accredited by the National Committee for Quality Assurance within certain timeframes; and (2) accept electronic claims for payment. Repeals a provision that provided for the expiration of the commission on December 31, 2008. **(This conference committee report does the following: (1) removes the requirement that the budget agency allot and distribute certain money appropriated for area health education centers; (2) extends the office, certain divisions within the office, and the office of Medicaid policy and planning until January 1, 2010; and (3) adds a provision legalizing actions taken by the office, certain divisions within the office, and the office of Medicaid policy and planning.)**

Effective: December 31, 2007 (retroactive); July 1, 2008.

Adopted

Rejected

CONFERENCE COMMITTEE REPORT

MR. SPEAKER:

Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill No. 42 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

- 1 Delete the title and insert the following:
- 2 A BILL FOR AN ACT to amend the Indiana Code concerning
- 3 human services.
- 4 Delete everything after the enacting clause and insert the following:
- 5 SECTION 1. IC 2-5-26-8 IS AMENDED TO READ AS FOLLOWS
- 6 [EFFECTIVE JULY 1, 2008]: Sec. 8. The commission shall do the
- 7 following:
- 8 (1) Determine whether the contractor for the office under
- 9 IC 12-15-30 that has responsibility for processing provider claims
- 10 for payment under the Medicaid program has properly performed
- 11 the terms of the contractor's contract with the state.
- 12 **(2) Determine whether a managed care organization that has**
- 13 **contracted with the office to provide Medicaid services has**
- 14 **properly performed the terms of the managed care**
- 15 **organization's contract with the state.**
- 16 ~~(2)~~ (3) Study and propose legislative and administrative
- 17 procedures that could help reduce the amount of time needed to
- 18 process Medicaid claims and eliminate reimbursement backlogs,
- 19 delays, and errors.
- 20 ~~(3)~~ (4) Oversee the implementation of a case mix reimbursement
- 21 system developed by the office and designed for Indiana Medicaid
- 22 certified nursing facilities.

(4) (5) Study and investigate any other matter related to Medicaid.
 (5) (6) Study and investigate all matters related to the
 implementation of the children's health insurance program
 established by IC 12-17.6.

SECTION 2. IC 12-8-1-10, AS AMENDED BY P.L.234-2005,
 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 DECEMBER 31, 2007 (RETROACTIVE)]: Sec. 10. This chapter
 expires January 1, ~~2008~~ **2010**.

SECTION 3. IC 12-8-2-12, AS AMENDED BY P.L.234-2005,
 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 DECEMBER 31, 2007 (RETROACTIVE)]: Sec. 12. This chapter
 expires January 1, ~~2008~~ **2010**.

SECTION 4. IC 12-8-6-10, AS AMENDED BY P.L.234-2005,
 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 DECEMBER 31, 2007 (RETROACTIVE)]: Sec. 10. This chapter
 expires January 1, ~~2008~~ **2010**.

SECTION 5. IC 12-8-8-8, AS AMENDED BY P.L.234-2005,
 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 DECEMBER 31, 2007 (RETROACTIVE)]: Sec. 8. This chapter
 expires January 1, ~~2008~~ **2010**.

SECTION 6. IC 12-15-12-21 IS ADDED TO THE INDIANA
 CODE AS A NEW SECTION TO READ AS FOLLOWS
 [EFFECTIVE JULY 1, 2008]: **Sec. 21. (a) Not later than January 1,
 2011, the following must be accredited by the National Committee
 for Quality Assurance or its successor:**

**(1) A managed care organization that has contracted with the
 office before July 1, 2008, to provide Medicaid services under
 the risk based managed care program.**

**(2) A behavioral health managed care organization that has
 contracted before July 1, 2008, with a managed care
 organization described in subdivision (1).**

(b) A:

**(1) managed care organization that has contracted with the
 office after June 30, 2008, to provide Medicaid services under
 the risk based managed care program; or**

**(2) behavioral health managed care organization that has
 contracted after June 30, 2008, with a managed care
 organization described in subdivision (1);**

**must begin the accreditation process and obtain accreditation by
 the National Committee for Quality Assurance or its successor at
 the earliest time that the National Committee for Quality
 Assurance allows a managed care organization to be accredited.**

SECTION 7. IC 12-15-12-22 IS ADDED TO THE INDIANA
 CODE AS A NEW SECTION TO READ AS FOLLOWS
 [EFFECTIVE JULY 1, 2008]: **Sec. 22. A:**

**(1) managed care organization that has a contract with the
 office to provide Medicaid services under the risk based
 managed care program; or**

**(2) behavioral health managed care organization that has
 contracted with a managed care organization described in
 subdivision (1);**

1 **shall accept, receive, and process claims for payment that are filed**
2 **electronically by a Medicaid provider.**
3 SECTION 8. IC 2-5-26-15 IS REPEALED [EFFECTIVE JULY 1,
4 2008].
5 SECTION 9. [EFFECTIVE DECEMBER 31, 2007
6 (RETROACTIVE)] **Actions taken under IC 12-8-1, IC 12-8-2,**
7 **IC 12-8-6, and IC 12-8-8 after December 31, 2007, and before the**
8 **passage of this act are legalized and validated to the extent that**
9 **those actions would have been legal and valid if this act had been**
10 **enacted before January 1, 2008.**
11 SECTION 10. **An emergency is declared for this act.**
 (Reference is to ESB 42 as reprinted February 15, 2008.)

Conference Committee Report
on
Engrossed Senate Bill 42

Signed by:

Senator Miller
Chairperson

Representative Brown C

Senator Sipes

Representative Frizzell

Senate Conferees

House Conferees